

Commonwealth Woodstove Change-Out Program Program Manual

Sponsored by:

Massachusetts Clean Energy Center
Massachusetts Department of Energy Resources

Issued: August 1, 2018

The Commonwealth Woodstove Change-Out Program (the “Program” or the “WSCO Program”) is administered by the Massachusetts Clean Energy Center (“MassCEC”) with technical support from the Massachusetts Department of Energy Resources (“DOER”). Program funding is provided by MassCEC and DOER.

The Program offers Rebates toward the replacement of non-EPA-certified wood stoves with new, low-emission EPA-certified wood or pellet stoves. All non-EPA-certified wood stoves currently operating within Massachusetts are eligible for Rebates. This Program Manual governs the WSCO Program and details incentive levels and requirements for Applications submitted during the 2018 Application Period, which will run from March 12 and September 25, 2018. Incentive levels and requirements may change in future years.

EPA-certified wood or pellet stoves can provide significantly reduced particulate and greenhouse gas emissions and increased efficiency compared to non-EPA-certified wood stoves. The increased efficiency reduces the amount of wood consumed and can ultimately help residents reduce their heating bills. Any Massachusetts stove owner (referred to as the “Homeowner” in this Program Manual, though non-residential stove owners are also eligible) interested in receiving a Rebate for a change-out must contact a participating retailer, chimney sweep, installer or other stove professional (“Stove Professional”) before purchasing a new stove.

The Stove Professional will issue a discount in the amount of the Rebate and submit the Rebate Application. A list of Stove Professionals that have signed up to participate in the Program can be found on MassCEC’s website at: <http://www.masscec.com/get-clean-energy/residential/commonwealth-woodstove-changeout>. Please refer to Section 5 of this Program Manual for the definitions of key terms.

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1. Eligibility

1.1. Stove Eligibility and Performance Standards

To qualify for a change-out, a Homeowner's existing stove must be:

- Operational
- Non-EPA-certified
- Manufactured by a wood stove manufacturer (i.e. not homemade or modified)

The existing non-EPA-certified wood stove must be replaced with a new, low-emission, wood or pellet stove that is EPA-certified and meets the stove performance standards outlined in Table 1 ("Qualified Equipment"). A list of Qualified Equipment is posted at http://files.masscec.com/WSCO_Qualified_Equipment_List.pdf. Any stove removed through this Program must be rendered permanently inoperable at a recycling facility.

Wood stoves sold in the United States on or after July 1, 1988 have been required to achieve U.S. Environmental Protection Agency ("EPA") certification (with the exception of certain stoves that received exemptions from the EPA requirement). To assess whether the existing stove is EPA certified (and therefore ineligible for the program), please see the list of EPA-certified stoves at <http://www.epa.gov/sites/production/files/2015-11/documents/pre2015nsps-certifiedwood.pdf>. Note that this list only relates to the old stove, and new stoves must meet a more stringent standard. Furthermore, a Stove Professional must confirm eligibility of the existing stove. Fireplace inserts are considered stoves and are subject to emissions limits and rebate values of the emissions control technology utilized in the model being installed.

New Stove Emissions Requirements

To align with the EPA's New Source Performance Standard ("NSPS"), MassCEC plans to gradually make PM_{2.5} emissions requirements more stringent in future program rounds. To be considered Qualified Equipment, pellet and catalytic stoves must achieve tested emissions levels of 2.0 g/hr or less, whereas non-catalytic wood stoves must achieve tested emissions levels of:

- 3.0 g/hr or less beginning in 2018; and
- 2.0 g/hr or less beginning in 2020.

There is no guarantee that MassCEC will operate the Program in future years, and these requirements are subject to change. Should NSPS requirements be modified in the future, MassCEC will likely retain these future emissions level requirements.

Warranty

Any Qualified Equipment receiving a Rebate under this Program must be covered by a manufacturer's warranty. Furthermore, the Stove Professional shall agree to fix any system defects or significant

workmanship issues identified during the first year after the Project completion date. MassCEC recommends that Homeowners seek longer warranties.

1.2. Stove Professional Eligibility

Prior to submitting Applications, each Stove Professional participating in the Program must read and submit a signed copy of the Stove Professional Agreement (available on [MassCEC's website](#)). Stove Professional Agreements submitted in 2017 or later remain effective for future program iterations and do not need to be resubmitted.

Stove Professionals must be licensed Massachusetts contractors to qualify. All Stove Professionals must provide MassCEC with a properly completed United States Internal Revenue Service ("IRS") Form W-9. W-9s should be emailed only to the email address finance@masscec.com.

Independent Installers as Stove Professionals

A Homeowner may opt to purchase a new stove directly from a manufacturer or other entity rather than a retailer. MassCEC allows for this flexibility, provided that the stove is installed by a licensed contractor signed up with MassCEC to participate as a Stove Professional.

One option is for a manufacturer to participate in the Program as Stove Professional, thereby assuming responsibility for: submitting the Stove Professional Agreement, contracting with one or more licensed installers licensed to operate in Massachusetts, applying for the Rebate, and assuring the quality of the installation. Because the Rebate will be paid directly to the Stove Professional, the invoice must clearly indicate that the appropriate Rebate amount has been deducted from the cost of the installation, either by the manufacturer, the contractor, or some combination thereof.

Similarly, a Homeowner may purchase a stove directly and hire an independent installer who is signed up as a Stove Professional to complete the change-out and apply to the Program. Because the Rebate will be paid to the Stove Professional, the Stove Professional may submit its own invoice showing a discount for the Rebate, and a separate invoice from the stove dealer.

1.3. Additional Rebates

Projects are prohibited from receiving both the MassCEC Rebate and a voucher from the [American Lung Association](#) for changing out a non-EPA certified wood stove. If MassCEC determines that the Homeowner or Stove Professional has received both the MassCEC Rebate and an American Lung Association Voucher, MassCEC may require the Homeowner or Stove Professional to forfeit the MassCEC rebate and repay any Rebate amount already disbursed.

2. Rebates and Funding

Although the Homeowner receives the benefit of the Rebate, the Rebate is paid directly to the Stove Professional upon MassCEC's approval of the Application, not to the Homeowner. Homeowners may not apply directly for Rebates under the Program. The Stove Professional must submit the Rebate Application on behalf of the Homeowner and will issue a discount equal to the amount of the Rebate to

the Homeowner on the cost of the Qualified Equipment and costs associated with the purchase and installation of the Qualified Equipment (“Eligible Project Costs”). The Stove Professional is responsible for ensuring that the project meets all program requirements and must clearly identify the discount on the invoice to the Homeowner.

2.1 Program Application Period

Applications must be submitted during the Application Period (between March 12, 2018 and September 25, 2018) to be eligible for funding. If sufficient funds remain upon approaching the Application Deadline, MassCEC may post an extension on the Program webpage (<http://www.masscec.com/get-clean-energy/residential/commonwealth-woodstove-changeout>).

2.2 Rebate Values

Rebate values are based on stove type, emissions, and efficiency, with higher Rebate levels for Homeowners who meet certain income qualifications. These values are listed in Table 1 below. Definitions for key terms and Rebate adders are provided below.

Table 1 - Stove Performance Standards and Rebate Levels

Stove Type	Maximum PM _{2.5} Emissions (g/hr)	Standard Rebate	Income-Based Rebate	Efficiency Adder
Pellet Stove	≤2.0	\$1,250	\$2,750	\$500
Catalytic Wood Stove	≤2.0	\$1,000	\$2,500	\$250
Non-Catalytic Wood Stove	≤2.0	\$1,250	\$2,750	
	>2.0 and <3.0	\$1,000	\$2,500	
Fully Automated Wood Stove	≤3.0	\$1,500	\$3,000	

Income-Based Rebates

Homeowners who earn less than eighty percent (80%) of state median income (“SMI”) are eligible for higher Rebate levels (“Income-Based Rebate”). Total income shall be determined on the basis of total income reported to the IRS (line 22 of Internal Revenue Service Form 1040). SMI is adjusted for household size, and total income shall be compared to these adjusted levels for purposes of determining eligibility. Eligibility thresholds are shown in Table 2 in the Application Process and Requirements section below.

Stove Type and Efficiency Adders

Rebate levels vary depending on stove features. The following section provides definitions for the above-listed rebate qualifiers.

Efficiency Adder

In order to be eligible to receive the Efficiency Adder, the installed stove must achieve an efficiency rating of at least sixty-five percent (65%) based on testing completed by an accredited laboratory in accordance with CSA B415.1 and published on [EPA’s list of certified wood stoves](#).

The adder amount is \$250 for wood stoves and \$500 for pellet stoves. This amount is added to the Standard or Income-Based Rebate amount. For example, a Homeowner who qualifies for the Income-Based Rebate purchasing a pellet stove with a seventy (70) percent efficiency rating would be eligible to receive a total Rebate amount of \$3,000.

Pellet Stove

A pellet stove burns fuel in the form of compacted pellets made of wood or other organic materials. It has a fuel hopper to store pellets until they are needed for burning. Pellet stoves tend to be more expensive than traditional wood stoves but are better automated than most stoves. They require electricity to operate and must be cleaned and maintained on a regular basis.

MassCEC recommends but does not require that Homeowners installing pellet stoves obtain high-quality fuel that meets pellet fuel quality standards such as the Pellet Fuel Institute Premium or ENPlus A1. These fuels burn more cleanly and efficiently than lower-grade pellets, which reduces their particulate matter and greenhouse gas emissions.

Catalytic Wood Stove

A catalytic wood stove, also known as a secondary burn stove, is a type of wood-burning stove that has an internal “catalyst” – a ceramic honeycomb-shaped structure that traps and interacts with the smoke to ignite it at a lesser temperature. This process can reduce emissions and operate more efficiently (use less fuel). However, the catalyst must be replaced periodically (typically every 7-10 years). Catalytic stoves tend to be moderately more expensive than non-catalytic stoves.

Hybrid stoves are considered catalytic stoves for the purposes of this program.

Non-catalytic Wood Stove

Non-catalytic wood stoves make up a majority of the wood stove market and are typically less expensive than other types of woodstoves. A typical model is made of steel or cast iron, with a base and adjustable air control. These stoves burn wood directly in the firebox, and most modern stoves have glass doors that allow owners to see the fire burn.

Fully Automated Wood Stove

To be categorized as a Fully Automated Wood Stove, a stove must:

- Automatically adjust the airflow and therefore include no manual airflow controls; and
- Have sensors and provide temperature-control capabilities.

This emerging technology allows a consumer to “load and leave.” This type of stove burns wood and tends to be more expensive than traditional wood stoves. Qualifying Fully Automated Woodstoves are included in the [Qualified Equipment list](#).

Sample Rebate Calculation

If an income-qualifying customer has a catalytic wood stove installed that has an efficiency rating of seventy percent (70%), then the Rebate would be calculated as:

\$2,250 (Income-Based Rebate for catalytic wood stoves) + \$250 (efficiency adder) = **\$2,500**.

3. Application Process and Requirements

The Application process consists of three steps, as outlined below. The submission of an Application does not guarantee a Rebate.

The Rebate shall be treated as an instant discount from the Stove Professional to the Homeowner at the time the purchase is completed and must be included as a line-item on the invoice. Eligible Project Costs include the cost of the new EPA-certified stove or fireplace insert, stove installation including any parts, materials or labor required for the safe and legal installation of the stove or fireplace insert, and disposal of the old stove.

Qualified Equipment MUST be installed by a Stove Professional and meet local fire and building codes. Rebates are not transferable across Stove Professionals. Below is a detailed, step-by-step overview of the Application process and requirements.

STEP 1: Homeowner Initiates Stove Purchase

Any Homeowner interested in participating in the Program should contact or visit a participating Stove Professional location. A list of Stove Professionals is available at: <http://www.masscec.com/finding-participating-stove-professional>. The Stove Professional can determine whether the Homeowner's existing stove qualifies for replacement under the Program.

Scheduling a stove installation may take several weeks, and Stove Professionals and Homeowners must plan accordingly. It is recommended that Homeowners begin the scheduling process with at least three weeks remaining in the program (e.g. before September 4, 2018).

The Homeowner should provide the Stove Professional with:

- The year the stove was manufactured;
- Pictures of the front and back of the stove (if possible). EPA-certified stoves typically have a metal tag on the back of the stove indicating EPA certification; and
- If applying for an Income-Based Rebate, documentation demonstrating eligibility for the Income-Based Rebate (please see Step 2 below).

A Stove Professional may not submit an Application if the Homeowner's existing stove does not qualify for the Program. Once the Homeowner has selected a Stove Professional and confirmed that the old stove is eligible for a change-out, the Homeowner must select and purchase a qualifying new stove. The Stove Professional can help the Homeowner:

- Determine which new stoves are eligible for the Program;
- Estimate the full cost of the new stove (including installation costs); and
- Determine the associated Rebate for each new stove option.

A [list of Qualified Equipment](#) can be found on MassCEC's website. Cost estimates and stove eligibility determinations typically require a site visit to the Homeowner's residence. Once the Homeowner elects to move forward with a purchase of the stove, the Stove Professional provides a sales agreement that clearly indicates the discount to the Homeowner in the amount of the Rebate.

STEP 2: Stove Professional Completes Change-Out and Submits Application

To complete the change-out, the Stove Professional must remove the old, non-EPA-certified wood stove, ensure that the stove is rendered inoperable and recycled, and install the new stove. All change-outs must take place within the timeframe of the 2018 Application Period to be considered for funding. Once the change-out is complete, the Stove Professional submits a Rebate Application through MassCEC's online Application portal at: <https://commonwealthwoodstove.programprocessing.com/>.

Only Stove Professionals may submit Applications. Homeowners may not apply directly for a Rebate under the Program. All other Program documents can be found at: <http://www.masscec.com/installer-resources-woodstove-change-out-program>.

MassCEC strongly recommends that the Stove Professional complete a [Project Information Worksheet](#) for each Project. Although this is not required by MassCEC, this document is a tool that can be used to collect all information on a project from the Homeowner that will later need to be submitted in the online Application form. This document can be found on the [Installer Resources](#) web page.

The Stove Professional must complete and submit the Application form through the Program's online Application portal. The Application form includes key project information, such as the Homeowner's contact information and the new stove model, and it requires the Stove Professional to certify that all Project information is accurate and conforms to Program requirements. Additionally, the Stove Professional must upload and submit the following documents for each Application:

1. **Participant's Agreement** – This document certifies that the Project complies with the requirements set forth in this Program Manual. The Participant's Agreement must be signed by both the Homeowner and the Stove Professional.
2. **Invoice** – The invoice must denote the project date, new stove model, show the itemized and total project costs, and include the Rebate amount as a line-item discount.
3. **Old Stove Picture** – This picture must show the previously installed, non-EPA-certified stove.
4. **New Stove Picture** – This picture must show the newly-installed EPA-certified stove.
5. **Old Stove Disposal Form** – This form, which certifies that the non-EPA-certified stove has been rendered inoperable, must be signed by both the Recycler and the Stove Professional.
6. **Electric Bill from last six months** – The bill must show the Project site address (Service Address) and residential rate code (R1 or R2).
7. **Verification of Eligibility for Income-Based Rebate** – If the Application is for an Income-Based Rebate, the submission must include one of the three forms of eligibility verification described below.

Threshold and Verification for Income-Based Rebate

To qualify for an Income-Based Rebate, the Homeowner must demonstrate that his or her household income is less than eighty percent (80%) of the estimated SMI for his or her household size, as shown in Table 2. The Homeowner must present a valid form of verification to the Stove Professional prior to completion of the change-out.

Table 2 - Threshold for 80% of State Median Income by Household Size

Household Size	80% of State Median Income
1	\$ 45,840
2	\$ 59,944
3	\$ 74,049
4	\$ 88,153
5	\$ 102,257
6	\$116,362
7	\$ 119,006
8	\$ 121,652
9	\$ 124,296
10	\$ 126,941
11	\$129,585
12	\$ 132,230
13	\$ 134,874
14	\$ 137,518
15	\$ 140,164
16	\$ 142,808
17	\$ 145,453

Homeowners may demonstrate eligibility for the Income-Based Rebate using one of the three methods described below. Residents earning sixty percent (60%) to eighty percent (80%) of SMI do not typically qualify for fuel assistance or discounted electricity rates and therefore will need to use the Third-Party Income Verification system referenced below.

- a. **Electric Bill** – This applies to Homeowners with Residential Assistance rate codes on their electricity bill. For customers served by National Grid or Unitil, the Residential Assistance rate code is R2. For customers served by Eversource, the codes are R2, A2, and A3.
- b. **Fuel Assistance Letter of Acceptance for the 2017-2018 Heating Season** –This letter will come from the [Low Income Home Energy Assistance Program \(LIHEAP\)](#), which is administered by the Massachusetts Department of Housing and Community Development, and indicates the resident’s participation in LIHEAP. The letter must show the date, Homeowner’s name, and Project site address.
- c. **Third-Party Income Verification** – The Homeowner can complete free income verification through MassCEC’s income verification portal (<http://massceciverify.com>). This process requires submission of a completed IRS Form 4506-T for each adult tax filing for the

household (one 4506-T form for each “married filing jointly” filing, one for each “single” filing, etc.). The Homeowner must complete this verification **before** the Stove Professional completes the change-out to ensure the correct Rebate value is listed as a discount on the Stove Professional’s invoice.

- For Homeowners using [MassCEC’s income verification portal](#), Stove Professionals must select “Income has been verified through MassCEC's online income verification.”
- MassCEC’s income verification portal process takes approximately two weeks to verify income, though it can take longer.
- Income verification should be completed prior to Application submission and will be valid for this Program only.
- Once the income verification process is complete, MassCEC and the Homeowner will receive an emailed letter confirming whether the Project is eligible for the Income-Based Rebate. Homeowners should provide a copy of this emailed letter to the Stove Professional to demonstrate eligibility for the Income-Based Rebate. Once the Stove Professional has received this confirmation of eligibility, the Rebate Application can be submitted to MassCEC.
- ***The final day to submit income verification documentation via portal is Monday, August 25, 2018.*** All projects submitted for income verification via portal on or before August 25 will be granted one month for Rebate Application submission beginning on the date that the Homeowner receives the verification notification.

MassCEC’s income verification portal is operated by an independent third-party that meets stringent security standards. MassCEC will never have access to any Homeowner’s financial information or tax documents. MassCEC will only know whether a Homeowner qualified for an Income-Based Rebate.

STEP 3: MassCEC Approves Award, Sends Award Letter, and Issues Payment

MassCEC will review each Application to ensure the new stove qualifies for the selected Rebate and to verify that any Income-Based Rebate documentation qualifies. Once the Application is approved, the Stove Professional and Homeowner will receive an email notifying them of the Award, which constitutes the Award Letter. MassCEC will issue payment to the Stove Professional within two weeks of the Award Letter being sent.

4. Additional Information

To become a participating Stove Professional, please complete and submit a Stove Professional Agreement to woodstoves@masscec.com, which can be found at <http://www.masscec.com/installer-resources-woodstove-change-out-program>. Stove Professionals that participated in the Program in previous years need to sign and submit a new Stove Professional Agreement to participate.

Questions and inquiries can be directed to woodstoves@masscec.com or 617.315.6077.

5. Definitions

Application: Documentation submitted on behalf of the Homeowner by the Stove Professional requesting an Award.

Application Period: The period from March 12 and September 25, 2018 during which all Projects must be completed all Applications submitted.

Award: Rebate funding granted to a Stove Professional who performed an approved change-out under the Program, based on a submitted Application that has been approved by MassCEC.

Award Letter: A document emailed to the Stove Professional denoting the Award from MassCEC.

Catalytic Wood Stove: A type of wood-burning stove (also known as a secondary burn stove) with an internal “catalyst” – a ceramic honeycomb-shaped structure that traps and interacts with the smoke to ignite it at a lesser temperature.

CSA B415.1: A standard published by the Canadian Standards Association that specifies performance testing requirements of solid-fuel-burning heating appliances.

Eligible Project Costs: Costs associated with the purchase and installation of the Qualified Equipment, including the cost of the new stove plus installation labor, parts, materials, delivery, and disposal of the old stove.

Fully Automated Wood Stove: A stove that (a) automatically adjust the stove’s airflow and therefore include no manual airflow controls and (b) has sensors that provide temperature-control capabilities.

Homeowner: The owner of the Project supported by the Program Rebate.

Income-Based Rebate: A Rebate for the successful installation of a stove on the Qualified Technology list if the Homeowner demonstrates income eligibility.

Non-Catalytic Wood Stove: A wood stove made of steel or cast iron, with a base and adjustable air control that burns wood directly in the firebox and lacks a catalyst.

Participant’s Agreement: An agreement signed by the Homeowner and Stove Professional that indicates their agreement to abide by the terms and conditions required by the Program and related to the particular Project the Stove Professional applied for.

Pellet Stove A stove that burns fuel in the form of compacted pellets made of wood or other organic materials with a fuel hopper to store pellets until they are needed for burning.

PM_{2.5}: Particulate matter emissions composed of particles measuring less than 2.5 micrometers in diameter.

Program Documents: This Program Manual, the Application, the Participation Agreement, and the Award Letter.

Project: A wood stove change-out project.

Rebate: Funding awarded to a Homeowner under the Program based on a submitted Application that has been approved by MassCEC.

Recycler: Entity responsible for ensuring that a Project's old stove is rendered inoperable and disposed of according to all applicable rules and regulations.

Standard Rebate: A Rebate for the successful installation of a stove on the Qualified Technology list if the Homeowner is not eligible for the Income-Based Rebate.

Stove Professional: The primary entity responsible for turnkey Project management including advising the Homeowner on Qualified Equipment, determining the applicable Rebate amount, Application submission, installation work (although aspects of the installation work may be sub-contracted) and arranging for recycling of the old stove, and who has submitted a Stove Professional Agreement to MassCEC.

Stove Professional Agreement: An agreement signed by a Stove Professional that indicates his or her agreement to abide by the terms and conditions required of a Stove Professional in this Program.

6. General Conditions

MassCEC reserves the right to reject any Applications or Projects.

Notice of Public Disclosure

General Statement on Public Records

As a public entity, MassCEC is subject to the Massachusetts Public Records Law, codified at M.G.L. Chapter 66 ("Public Records Law"). Applicants acknowledge and agree that any documentary material, data, or other information submitted to MassCEC are presumed to be public records. An exemption to the Public Records Law may apply to certain records, including materials that fall under certain categories under a statutory or common law exemption, including the limited exemption at M.G.L. c. 23J, Section 2(k) regarding certain types of confidential information submitted to MassCEC by an applicant for any form of assistance. By submission of an Application, Applicants acknowledge and agree that MassCEC, in its sole discretion, shall determine whether any particular document, material, data or other information is exempt from or subject to public disclosure. Thus, MassCEC urges Applicants to carefully consider what documents, materials, data and other information is submitted to MassCEC in connection with this Program.

In accordance with the Public Records Law, MassCEC generally considers the following types of information exempt:

- Personal email addresses
- Personal phone numbers
- Electric bills
- LIHEAP Fuel Assistance Letter of Acceptance

- Eligibility letter for MassCEC's Income-Based Rebate Adders

C-THRU

The Stove Professional agrees and acknowledges that MassCEC shall have the right to disclose the name of any entity receiving a Rebate payment, the amount of the payment under the Program, and any other information it may deem reasonably necessary on C-THRU, the Commonwealth of Massachusetts' online database of state spending.

Contractual Requirements

The Participant's Agreement defines the legal terms that will govern the Award and sets forth the respective roles and responsibilities of the parties specifically as they relate to the project that is the subject of the Award. The Participant's Agreement is designed to be executed upon submitting an Application. This contract language is non-negotiable.

No grant funds may be used to pay Rebates for Applications submitted prior to the Program launch date or after the Program's closing deadline. Furthermore, MassCEC will not accept Applications for Projects involving any payment made or any work completed prior to the Program launch date.

Disclaimer

MassCEC reserves the right, at its sole discretion, to waive minor irregularities in submittal requirements, to request modifications of the Application, to accept or reject any or all Applications received, and/or to cancel all or part of this Program at any time. This Program Manual does not commit MassCEC to award any funds, pay any costs incurred in preparing an Application, or procure or contract for services or supplies. MassCEC reserves the right to accept or reject any or all Applications received and cancel or modify the Program Manual in part or in its entirety without notice.

Changes/Amendments to the Program Manual

This Program Manual has been distributed electronically using MassCEC's website. It is the responsibility of Program participants to check MassCEC's website for any addenda or modifications to the Program Manual. MassCEC, the Commonwealth of Massachusetts, and its subdivisions accept no liability and will provide no accommodation to any applicant who submits an Application based on an out-of-date Program Manual and/or other Program documentation.